

of J. C. King, who was a permanent employee of the American Chamber of Commerce. Each year the station provided a large sum in support of the Chamber's Fourth of July celebration and called this a propaganda effort to cement good relations between Americans and Venezuelans.

Because President Kennedy had ordered action, however, the chance to change all this was at hand. When the new fiscal year began on July 1, 1961, WH Division found itself with an additional \$10 million in its budget for the purpose of stopping the spread of Castroism. Unfortunately, in all the countries in the area, including Venezuela, there were no specific projects to spend the money on in order to accomplish this objective.

We did have in Caracas a group of Basques who had fled Franco's Spain. They had penetrated the Venezuelan Communist Party for us, a task made easy because the Communists hated Franco almost as much as they did and an excellent common bond existed between them. This project, however, couldn't accomplish what needed to be done to satisfy President Kennedy's wishes. New, sophisticated political operations and additional intelligence collection were both needed. Above all, we needed links with the Betancourt group, with his Acción Democrática, AD, Party so we could help them help themselves fend off Castro's efforts.

Two phenomena intrigued me in the weeks following my entering on duty in WH, one that was most uncommon in my CIA experience, and one that was very familiar. The uncommon experience was asking, pleading, begging the field station to come up with additional ideas for spending more money. Usually, a desk officer's fate was to tell the field station it had to find new ways to cut costs, not new ways to spend more money. The familiar experience was seeing all those who had been directly responsible for the Bay of Pigs operation being promoted. Being part of a major disaster always led to success in the Clandestine Services for officers below the very top. Thus, although Allen Dulles and Richard Bissell lost their jobs before 1961 had ended, Tracy Barnes had a new division created for him, Domestic Operations Division, and Howard Hunt went to work for him. Jake, the man who directed all daily operations of the Cuban task force,

servicing directly under Barnes, was made chief of operations for the entire Western Hemisphere Division. Dave Phillips went off to a senior field assignment in Mexico City. Gerry Droller became a special assistant for political operations to J. C. King and began traveling around Latin America to drum up projects for spending our new funds.

I recalled that the case officer who had made the first contacts with the Sumatran colonels, providing us all the information which misled us so badly, received an immediate promotion when he returned from Indonesia and was given his choice of assignments. He chose London. No more jungle duty for him. Whether this practice of rewarding an officer for his contribution to horrendous mistakes resulted from a guilt feeling on the part of the top echelon at involving their subordinates in such questionable activities or stemmed from the same motivation as hush money does, I could never decide. Unfortunately, I was never close enough to a disaster to benefit. I got out of the Indonesian adventure before it failed, and the Grand Alliance defeat was swallowed up in the victory of the coalition we put together for Macapagal.

The most interesting thing about my new job was a proposal which our insistence on developing new projects finally brought forth from Caracas. Some friends of Betancourt wanted to start a new daily paper which would be an unofficial mouthpiece of the AD Party and publicize the land reform program and other parts of the Venezuelan president's democratic revolution formula. The station chief didn't think too much of the idea, but I saw it as exactly the kind of activity we needed.

This kind of newspaper was precisely what Paul Linebarger meant when he defined gray propaganda. A paper associated with a leftist-inclined party which frequently opposed U.S. policies would have considerable weight when it occasionally supported us. More important, I saw this as a mechanism for access to AD political leaders. Since they, in turn, had ties with men of like mind in other countries, I could envision our supporting the newspaper as a means of following the plans of this group and trying to influence them.

One of the Venezuelan proponents of the plan was an importer of U.S. and other foreign cars. If he hadn't been involved I was sure the station would never have heard of